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Importing A Car

U. S. Customs Service

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IMPORTING A CAR

WARNING!

Imported motor vehicles are subject to safety standards under the Motor Vehicle Safety Act of 1966, revised under the Imported Vehicle Safety Act of 1988; to bumper standards under the Motor Vehicle Information and Cost Savings Act of 1972, which became effective in 1978; and to air pollution control standards under the Clean Air Act of 1968, as amended in 1977.

Most vehicles manufactured abroad that conform with U.S. safety, bumper, and emissions standards are exported to be sold in the United States; *therefore, it is unlikely that a vehicle obtained abroad meets all relevant standards.* Be skeptical of claims by a foreign dealer or other seller that a vehicle meets these standards or can readily be brought into compliance. Nonconforming vehicles entering the U.S. must be *brought into compliance, exported, or destroyed.*

See pages 6–10 for general requirements.

This pamphlet provides essential information for U.S. residents, military, or civilian government employees, and foreign nationals who are importing a vehicle into the U.S. It includes U.S. customs requirements and those of other agencies whose regulations we enforce. Since Environmental Protection Agency and Department of Transportation requirements are subject to frequent changes, we recommend that you contact these agencies before buying a vehicle abroad. Their addresses are on page 3 and 8.

Our leaflets, *Know Before You Go (Customs Hints for Returning U.S. Residents)* and *Customs Hints for Visitors (Nonresidents)*, contain general information for persons entering

the U.S. Request them from your nearest Customs office or from U.S. Customs, P.O. Box 7407, Washington, D.C. 20044; or from embassies and consulates abroad.

The Environmental Protection Agency has a detailed fact sheet describing emission requirements for imported vehicles. You can get a copy of this fact sheet or other information about importing motor vehicles by calling EPA's Imports Hotline (202) 382-2504. You can also communicate by facsimile (FAX) at (202) 245-4089, or by writing to the U.S. Environmental Protection Agency, Manufacturers Operations Division (EN-340F), Investigation/Imports Section, 401 M Street, S.W., Washington, D.C. 20460.

PRIOR ARRANGEMENTS

Arrangements for shipping a vehicle are made by the owner. Have your shipper or carrier notify you of the vehicle's arrival date so that Customs can clear it. Shipments are cleared at the first port of entry unless you arrange for a freight forwarder abroad to have the vehicle sent in bond to a Customs port more convenient to you.

Customs officers are prohibited by law from acting as agents or making entries for an importer. However, you may employ a commercial customhouse broker to handle your entry.

DOCUMENTATION

For Customs clearance you will need the shipper's or carrier's original bill of lading, the bill of sale, foreign registration, and any other documents covering the vehicle. You will also need written *prior* approval from EPA, which will be evident to the Customs inspector at the port of entry in the form of an approval letter from the EPA or a manufacturer's label affixed to the car stating that the vehicle meets all U.S. emission requirements. Or, you may make

arrangements to import your vehicle with an Independent Commercial Importer (ICI). In this case, the ICI will import your vehicle and perform any EPA-required modifications and be responsible for assuring that all EPA requirements have been met. ICIs can only import certain vehicles, however, and in general, their fees are very high.

See page 6 for DOT requirements and page 11 for driver's license and tag requirements.

CLEANING UNDERCARRIAGE

To safeguard against importation of dangerous pests, the U.S. Department of Agriculture requires that the undercarriage of imported cars be free from foreign soil. Have your car steam sprayed or cleaned thoroughly before shipment.

YOUR CAR IS NOT A SHIPPING CONTAINER

For your own safety, security, and convenience, DO NOT use your car as a container for personal belongings.

- Your possessions are susceptible to pilferage while the vehicle is on the loading and unloading docks and in transit.
- Many shippers and carriers will not accept your vehicle if it contains personal belongings.
- The entire contents of your car must be declared to Customs on entry. Failure to do so can result in a fine and seizure of the car and its contents.
- Your vehicle may be subject to seizure, and you may incur a personal penalty, if *anyone* uses it as a conveyance for illegal narcotics.

DUTIABLE ENTRY

Foreign-made vehicles imported into the U.S., whether new or used, either for personal use

or for sale, are dutiable at the following rates:

Autos	2.5%
Trucks valued at $1,000 or more	25%
Motorcycles up to 700cc	3.7%
Motorcycles over 700cc: Same as above until total imports reach a specified level, then maximum rates:	13.7%

Duty rates are based on price paid or invoice price. Vehicles imported from certain Communist countries have a higher duty rate. Most Canadian-made vehicles are duty-free.

As a returning U.S. resident, you may apply your $400 Customs exemption and those of accompanying family members toward the value of the vehicle if it:

- Accompanies you on your return
- Is imported for personal use
- Was acquired during the journey from which you are returning.

For Customs purposes, a returning U.S. resident is one who is returning from travel, work, or study abroad.

After the exemption has been applied, a flat duty rate of 10% is applied toward the next $1,000 of the vehicle's value. The remaining amount is dutiable at the regular duty rate.

FREE ENTRY

U.S. CITIZENS EMPLOYED ABROAD or government employees returning on TDY or voluntary leave may import a foreign-made car free of duty provided they enter the U.S. for a short visit, claim nonresident status, and export the vehicle when they leave.

MILITARY AND CIVILIAN EMPLOYEES of the U.S. government returning at the end of an assignment to extended duty outside the Cus-

toms territory of the U.S. may include a conforming vehicle among their duty-free personal and household effects. The auto must have been purchased abroad and be in its owner's possession prior to departure. Generally, extended duty is 140 days or more. Navy personnel serving aboard a U.S. naval vessel or supporting naval vessel from its departure from the U.S. to its return after an intended overseas deployment of 120 days or more are entitled to the extended duty exemption.

NONRESIDENTS may import a vehicle duty-free for personal use if the vehicle is imported in conjunction with the owner's arrival. Conforming vehicles so imported may remain in the U.S. indefinitely. Nonconforming vehicles must be exported within one year and may not be sold in the U.S. *There is no exemption or extension of the export requirement.* Conforming vehicles imported under duty-free exemption are dutiable if sold within one year of importation. Duty must be paid at the most convenient Customs office before the sale is completed.

CARS IMPORTED FOR OTHER PURPOSES

An automobile and its usual equipment may be entered free of duty into the U.S. by a nonresident for a temporary stay to take part in races or other specific contests. If the contests are for other than money purposes, the car may be admitted for 90 days without formal entry or bond if the customs officer is satisfied as to the importer's identity and good faith. The vehicle becomes subject to forfeiture if it is not exported or if a bond is not given within 90 days of its importation.

SAFETY, BUMPER AND THEFT PREVENTION STANDARDS

Motor vehicles and certain vehicle equipment manufactured on or after January 1, 1968 must conform to the DOT motor vehicle safety standards that were in effect when these vehicles or items were manufactured. Passenger cars manufactured after September 1, 1973 must also meet bumper standards. The importer must file form DOT HS-7 at the time of entry, indicating whether the vehicle conforms to applicable safety and bumper standards. The original manufacturer is required to affix a label to the vehicle certifying that these standards have been met. Vehicles that do not bear a certification label attached by the original manufacturer must be entered as a nonconforming vehicle under a DOT bond for one and a half times the vehicle's dutiable value. This is in addition to the regular Customs entry bond.

Unless specifically excepted, the importer must sign a contract with a DOT Registered Importer (RI), who will modify the vehicle to conform with all applicable safety and bumper standards and who can certify the modifications, just as the ICI can do for EPA-required modifications. A copy of the RI's contract must be attached to the DOT HS-7 form and furnished to the Customs Service with the DOT bond at the port of entry. A list of RIs is available from DOT and should be obtained *before* you decide to import a vehicle. Furthermore, DOT requires that the vehicle model and model year must, prior to entry, be determined eligible for importation. A DOT RI can advise you whether your vehicle is eligible; if it is not, the RI can submit a petition in your behalf to have your vehicle considered for eligibility, if you so desire. Understand, however, that substantial fees must be paid at the time such petitions are filed.

An individual who has been employed outside the United States continuously since October 31, 1988 who wishes to import a nonconforming vehicle for personal use that was acquired on or before October 31, 1988, and who has never before imported a nonconforming vehicle, may, until October 31, 1992, import the vehicle directly. In such cases,

DOT RI and vehicle eligibility requirements *are not* applicable. The vehicle, however, must *be brought* into conformity within 120 days of *entry* and a DOT bond for 150 percent of the vehicle's dutiable value posted. This is in addition to the Customs entry bond. The importer must also submit a statement of compliance identifying the person or company that brought the vehicle into compliance and that describes the exact nature and extent of the modifications performed. A DOT guide book is available to importers who qualify for this importation category.

For additional information or details on these requirements, contact the U.S. Department of Transportation, National Highway Traffic Safety Administration, Director of the Office of Vehicle Safety Compliance (NEF-32), 400 Seventh Street, S.W., Washington, D.C. 20590, tel. (202) 366-5313.

FEDERAL TAX

Certain imported automobiles may be subject to the gas-guzzler tax imposed by section 4064 of the Internal Revenue Code. An individual who imports an automobile for personal use, or a commercial importer, may be considered an importer for purposes of the tax and thus liable for payment of the tax.

The amount of the tax is based on a combined urban/highway fuel economy (miles per gallon) rating assigned by the EPA for gas-guzzler tax purposes. This EPA rating may be different from fuel economy ratings indicated by the manufacturer.

If the EPA has not assigned a gas-guzzler fuel economy rating for the model automobile you import, a rating must be independently determined. No tax is imposed on 1986 or later model year automobiles that have a combined fuel economy rating of at least 22.5 miles per gallon.

Information on determining fuel economy rat-

ings and liability for the tax are contained in section 4064 of the Code, Revenue Procedures 86-9, 1986-1 Cumulative Bulletin 530, Revenue Procedure 87-10, 1987-4 Internal Revenue Bulletin 29, and Revenue Ruling 86-20, 1986-1 C.B. 319.

The gas-guzzler tax is reported on Form 720, Quarterly Federal Excise Tax Return. Additional information may be obtained from your local district office of the Internal Revenue Service.

EMISSION STANDARDS

The following passenger cars, light-duty trucks, heavy-duty engines and motorcycles are subject to Federal emission standards:

- Gasoline-fueled cars and light-duty trucks originally manufactured after December 31, 1967.
- Diesel-fueled cars originally manufactured after December 31, 1974.
- Diesel-fueled light-duty trucks originally manufactured after December 31, 1975.
- Heavy-duty engines originally manufactured after December 31, 1969.
- Motorcycles with a displacement of more than 49 cubic centimeters originally manufactured after December 31, 1977.

Beginning with the 1974 model year, vehicles that were originally manufactured to meet U.S. emission requirements if driven outside the United States, Canada, Mexico, or Japan, may be required to have their oxygen sensor and/or catalytic converter replaced. Formal Customs entry is required to assure that these requirements are met. You should contact the EPA directly for detailed requirements and options before shipping your vehicle.

Nonconforming vehicles must be imported for you by a currently certified Independent

Commercial Importer (ICI), a list of which is available from the EPA. This list should be obtained *before* you decide to import a car. The ICI will be responsible for assuring that your car complies with all U.S. emission requirements. (As of July 1, 1988, EPA no longer has the one-time exemption for vehicles five or more model-years old.) Be aware that EPA will deny entry to certain makes, models, and model-years if an ICI is not certified or is unwilling to accept responsibility for the vehicle(s) in question.

You can obtain additional information on emission control requirements or on ICIs from the U.S. EPA Manufacturers Operations Division (EN-340F), Investigation/Imports Section, Washington, D.C. 20460, tel. (202) 382-2504, FAX (202) 245-4089.

Individual state emission requirements may differ from those of the federal government. Proper registration of a vehicle in a state may depend upon satisfaction of its requirements, so you should contact the appropriate state authorities prior to importation. Be aware, however, that some state requirements may be *less stringent* than those of the federal government. EPA will not necessarily accept compliance with a state's emission requirements as satisfying EPA's.

A WORD OF CAUTION

Both the Department of Transportation and the Environmental Protection Agency advise that although a nonconforming car may be conditionally admitted, the modifications required to bring it into compliance may be so extensive and costly that it may be impractical and even impossible to achieve such compliance. Moreover, under Federal Regulations 49 CFR parts 591 through 594, effective January 31, 1990, some vehicle models are prohibited from importation. It is highly recommended

that these prohibitions and modifications be investigated before a vehicle is purchased for importation.

EXCEPTIONS

The following vehicles need not conform to emission or safety requirements but may NOT be sold in the U.S. and may require EPA and DOT declarations.

- Those imported by nonresidents for personal use not exceeding one year. The vehicle *must* be exported at the end of that year—no exceptions or extensions.

- Those belonging to members of foreign armed forces, foreign diplomatic personnel, and members of public international organizations on assignment in the U.S.

- Those imported for display, competition, or testing, provided they are not licensed for use, or driven, on public roads. Parties responsible for such vehicles must submit proper documents—that is, forms EPA 3520-1 and DOT HS-7—to Customs at the time entry is made. Also, applicable written approvals from these agencies must be obtained in advance and presented to Customs along with these forms. *Remember*, the cost to return vehicles that have been refused prior approval can be very high and must be borne by the vehicles' owner(s).

DRIVER'S PLATES AND PERMITS

Imported cars should bear the International Registration Marker. The International Driving Permit, issued in five languages, is a valuable asset. Consult an international automobile federation or your local automobile club about these documents.

U.S. RESIDENTS importing a new or used car should consult the Department of Motor Vehicles in their state of residence about temporary license plates.

NATIONALS OF CENTRAL AND SOUTH AMERICAN countries that have ratified the Inter-American Convention of 1943 may drive their cars in the U.S. for touring purposes for one year or the validity of the documents, whichever is shorter, without U.S. license plates or U.S. driver's permits, provided the car carries the International Registration Marker and registration card, and the driver has the International Driving Permit.

MOTORISTS VISITING THE UNITED STATES as tourists from countries that have ratified the Convention on International Road Traffic of 1949 may drive in the U.S. for one year with their own national license plates (registration tags) on their cars and with their own personal driver's licenses.

MOTORISTS FROM CANADA AND MEXICO are permitted to tour in the U.S. without U.S. license plates or U.S. driver's permits, under agreements between the United States and these countries.

MOTORISTS FROM A COUNTRY NOT A PARTY to any of the above agreements must secure a driving permit in the U.S. after taking an examination.

FOREIGN NATIONALS employed in the U.S. may use their foreign license tags from the port of entry to their destination in the U.S.

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